Unclaimed amount of policy holders of LIC

1411. SHRI BASHISTHA NARAIN SINGH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) how much unclaimed amount of policy holders is lying in the branches of LIC.;

(b) what is the purpose of keeping such amount;

(c) what steps are being taken to utilize the unclaimed amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Life Insurance Corporation of India (LICI) has reported that the net unclaimed amount of policy holders for the year ended 31.3.2002 aggregates to Rs. 112.47 Crore.

(b) and (c) The Corporation has reported that the unclaimed amounts in the form of deposits and policy claims which cannot be settled are transferred to written back account and subsequently to Life Fund after making all efforts to refund or adjust it. Even after the amount is written back to the Life Fund, the Corporation does entertain the claim for refund of amount and pays the same to the claimant after proper verification.

Release of grants due to Bihar

1412. SHRI LALU PRASAD: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether under recommendations of the Tenth and Eleventh Finance Commission, an amount of Rs. 458.69 crores has to be released by the Central Government to Bihar;

(b) whether he, in his speech in Rajya Sabha on 1st August, 2002, made an assurance to release the amount; and

(c) if so, whether the Central Government propose to release this grant to Bihar and if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Tenth Finance Commission (TFC) had recommended grants-in-aid for various purposes to be provided to the States during 1995-2000. With the expiry of the award period of TFC, the unutilised grants recommended by it lapsed. The grants recommended by the Eleventh Finance Commission (EFC) for its award period (2000-05) are being

released to State according to the guidelines issued by the Ministry of Finance.

(b) and (c) The Finance Minister had stated in Rajya Sabha on 1.8.2002 that on account of local bodies election difficulties, certain payments were withheld and the matter would be resolved through discussions between Finance Secretary of Bihar and officers of the Union Ministry of Finance. The matter has since been discussed and as a special case, a sum of Rs. 108.75 crores being the grants for the Panchayati Raj Institutions (PRIs) for 2000-01 under EFC recommendations has been released to the Government of Bihar on 6.11.2002.

Expenses of SBIs Officers Associations

1413. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that SBI virtually meets all the cost of organisational meetings of All India State Bank Officers Federation and Associations affiliated to it by holding bipartite meetings at every place where the Federation holds its meetings; and

(b) if so, what is the amount of travelling expenses reimbursed to the office-bearers of the Federation and Associations during the last three years for attending the bipartite meetings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA): (a) and (b) The information is being collected and will be laid on the Table of the House.

Alignment of Bank Saving and Fixed Deposit rates

1414. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are contemplating alignment of Bank Saving and fixed Deposits rates;

(b) if so, in what manner and by when; and

(c) what would be the short-term and long-term effects of such an alignment on the country's economy in general and small depositors in particular?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Reserve Bank of India (RBI) has reported that the interest rates on all term deposits have been deregulated since October, 1997. Currently,